

PRIORITY DISTRICT PROGRAMME

Goals and Outline of Content

Goals

1. The goal is to restore rural production and economic viability and also rural civil society. By so doing, it will both constitute a major component of Mozambique's economic rehabilitation and make other components - notably urban food security and resuscitation of domestic demand for manufactured goods - practicable.
2. To restore civil society requires that the 80% of rural households in the sector familial - as well as the 10 to 20% in agricultural and non-agricultural employment or commercial farming, medium and small scale non-farm business and the self employed, non-farm artisanal - take part in the restored/increased production as well as having effective access to basic social, human and economic services. Basic needs and means to meeting them must be central to the PDP if it is to be a social and political success or even - given the impracticability of massive large scale public sector and implausibility of large scale private sector agricultural units plus medium size private farms producing on the requisite scale - an economic one.
3. That reality - i.e. the necessity of focussing on the revival of familial sector output and access to services (including economic services) has six implications:
 - a. broad base programmes - e.g. access to improved seed and basic tools - are more important than limited access, capital intensive projects, because neither technically nor in the light of financial and import constraints can there be enough of the latter to allow the majority of the sector familial households to produce more;

- b. commercialisation is crucial - the SF households have basic needs meeting which requires cash - requiring rehabilitation of the enterprise/entrepreneurial as well as the physical/infrastructural elements of the rural commercial network;
- c. However, because food security will for most households depend primarily on their own production, specific attention must be paid to facilitating expansion of own use (so called subsistence) production as well as its more efficient household level processing, storage and preservation;
- d. because they have direct links to quantity, quality and effectiveness of labour for direct production - as well as because they are basic to political and social sustainability - primary and adult education, basic preventative and curative health and pure water supply (for human, and secondarily livestock, use) are crucial to the PDP;
- e. so to is specific programme by programme attention to women's needs and the actual gender division of labour in order to allow women to produce more while lightening - or at least not augmenting - the very heavy workload characterising sector familial women when production is possible;
- f. integrating (but also articulating for specific differences in needs) programme components relating to sector familial households whose direct production capacity is relatively undamaged by war or is already substantially restored, formally non-deslocado/ afectado households (especially in newly liberated districts) whose household production and social bases have been wrecked by war as well as returning/resettling afectados, deslocados and returnados.

4. That the central aims of the programme relate to the absolutely poor - and on the verge of absolute poverty - sector familial households does not mean other social and economic sectors should or can be ignored:

- a. the rebuilding of the rural and small town commercial network is crucial to the sector familial and requires substantial strengthening of the private (as well as the public) commercial sector;
- b. the concerns of the non-agricultural artisanat and of employees of enterprises producing for local (or broader rural) sale are symbiotic with those of SF households - they provide production enabling inputs and production incentivating goods to be available as well as a market for agricultural (including livestock, fish, artisanat and forestry) products;
- c. except in cases of serious land (or good land accessible to transport) shortages, private farmers (small capitalist or large family farms with hired labour) have interests more compatible with than in contradiction to those of the SF households e.g. they provide some seasonal employment and encourage traders to serve areas they are in. Their success will harm the SF only if it drains a disproportionate share of services or engrosses scarce land the SF needs/could use;
- d. basic services (i.e. health - education - water - agricultural extension - commercial access) should be available to all PDP households not only absolutely poor ones (albeit the less poor ones can be expected to pay for - e.g. - inputs whereas initially the absolutely poor cannot). They are a basic right of all human beings and meeting that right is a duty of the states as responsible to all Mozambicans;
- e. the social systems of rural Mozambique are not purely on class, much less income level, lines so that a strict means (lack of means) test for core services would be very divisive. This would be especially true in the period of reconciliation - helping poor ex-bandidos and not less poor households who had stood with the state would be politically implausible and excluding all ex-bandidos by saying "non poor" (even when palpably they were destitute) would abort reconciliation;

- f. empirically separating absolutely poor, in danger of becoming absolutely poor, slightly less poor households would be tedious, slow and probably impracticable.
5. But the preceding paragraph is a complement to and an elaboration of the basic commitment to increasing sector familial household capacity to produce, to sell and to buy, and access to services. Therefore, programme design should be based on what sector familial households see as their basic needs and on ways in which they believe they can satisfy them. Programmes not meeting that test will not have much chance of success on any criterion.

Sector Familial Household Priorities

6. The priorities of poor sector familial households can be summarised under five heads:
 1. Security
 2. Economic and Social Survival Safety Nets
 3. Livelihood
 4. Basic Services
 5. Infrastructure for the above
7. These priorities have rarely been studied systematically and operationally - and almost never at national level nor in the context of a planning exercise. However, a substantial number of micro surveys and a body of - often rather unsystematic - knowledge by politicians and others who are (or act as if they were) responsible to poor rural Africans do exist. These can be refined if doing so is made a priority
 - a) in research - e.g. by the Centre for African Studies and
 - b) in the pre-adoption presentation of the PDP to district populations as well as in annual progress reviews. The ongoing political process, while essential to back up and provide a context for such work, is not by itself adequate. First, in many cases it does not provide specific enough ex ante needs-requirements in adequate detail to inform strategic programme and project design. Second, it is a rather slow and inexact monitoring device except for actions so widely and deeply resented or so

ineffective that any competent observer can also see they have gone wrong. Third, it does not usually operate in a way allowing clear choices among alternatives on the basis of rural household preference within actual resource constraints. Thus very ill designed and/or cost inefficient (in the sense of benefits to rural households per unit of resources used) programmes and institutions can be designed, launched and continued with apparent rural support (or at least without major disapproval in terms of clear advocacy of specified alternatives) even with a participatory political process responsible to a rural majority. The clear example of this weakness is Tanzania. Tanzania's political process has a clear pro-rural political bias demonstrated by urban and external to rural resource transfers on a large scale by systematically raising crop prices much more rapidly than even minimum wages (let alone salaries) and by reversals of programmes, policies and structures which roused broad, sharp rural criticism. But this has not guaranteed either efficiency in resource use nor a close correlation between rural household priorities and patterns of resource allocation to rural areas.

8. Security is a necessary condition for meeting other basic needs as well as a human need in and of itself. It has four aspects - physical/military; social and political setting/administration; access to land and receiving a fair return (absence of gross exploitation in the colloquial sense).
9. Physical security means both the achievement and maintenance of peace and the functioning of the police and army within enforced guidelines which mean honest, peaceful rural households need not fear them and can, when necessary, go to them confidently for assistance. In the context of the PDP this means that coordination with the Armed Forces to ensure that the Districts are (or become) and remain physically secure is crucial.
10. Socio political/administrative security means achieving a context in which their are known, broadly acceptable, relatively stable legal, administrative and political frameworks. That context allows people to act in confidence that they will not be messed about with and can expect support if they go about their business/livelihood/family life in ways which they consider socially and politically acceptable. In the PDP context this requires retraining/re-educating District Administrators

and their staffs to give top priority to communication with and service to rural households (or poor urban ones in primarily urban districts). Unfortunately many DA's and staff members (judging by rural criticisms not least during Presidential visits) view their primary duties as filing reports and telling (ordering) people to do what the DA believes (not always correctly) Maputo and/or the Provincial capital wants them to do and are averse to involving themselves in the hard work of helping the people and technical service providing personnel to develop the districts. Furthermore in some - not all - districts they do say they view administrators as outsiders interested only in their own welfare. (This appears to be a particularly grave problem in parts of Zambesia and Nampula.) That this criticism can be made of rural administrators in almost all countries and that in part the pattern has been caused by war do not reduce the need for change if the PDP is to work.

11. Land security means, to poor rural households, stable use rights over enough land of good enough quality to produce a decent livelihood. It may or may not mean any desire to own the land; it usually does mean a desire that use rights can be inherited. In Mozambique there is, in general, enough land for this goal to be met - especially if some empressa land is to be redistributed to the sector familial. However, there are exceptions. Some peri urban areas are - as the result of war - hopelessly overcrowded. These households can have land security only if they can be helped to move back either to their home areas (probably their normal preference) or - if that is impracticable - to other areas with adequate land. Similarly in zonas verdes and limited zones of high quality land (some river margins in otherwise dry areas) there is not enough land for sector familial land security and freedom of access for private plus plantation use. In such cases land security means giving the sector familial priority (e.g. in the Ville de Tete Zona Verde where the issue has arisen).
12. Communal land use and communal villages may or may not be consistent with land security as seen by the majority of sector familial households and rural attitudes to them probably vary widely. In general only if a broad pre-establishment support base exists (or communal production is

one option and household another without discrimination against those who choose the latter) will communal initiatives be perceived by rural households as consistent with land (and social) security).

13. Villagisation more narrowly defined if properly explained and supported by provision of better water, health, education, commercialisation and communication/transport access to villages will frequently be popular and objections will not turn primarily on land security. However, compulsory villagisation in Tanzania (largely, but not wholly, because of serious communication and implementation debacles at Regional and District political and administrative levels) was opposed by perhaps 25% of rural households at the outset even though access to education, health, water and communication were in fact improved. 15 years later support is much broader - the villages remain and there is in reality no barrier to people leaving them so their survival is evidence of broad acceptance.
14. Given both the limited capacity of Districts to communicate and to implement and of the state to provide resources, the PDP should not make compulsory villagisation a priority nor seek as a uniform priority to encourage rapid villagisation. However, it should locate services in clusters which encourage village development and in the cases of internal or external returnados seek to achieve settlement patterns focussing on - say - 100 to 500 household villages. On land use tenure the principles should be security of tenure to the user and priority to the sector familial in allocating scarce land. Communal production - both for technical and historic bad experience reasons - should not be a PDP priority. That should not be taken as advice not to support voluntary cooperative agricultural or non-agricultural commercial or production initiatives; but it does include not seeking to prefabricate a co-op structure without prior rural households demands for and capacity to operate one.
15. Security from exploitation (or of fair returns) implies price, fee and tax policies, which are broadly perceived as fair. This does not mean no profits for traders and transporters but it does mean household terms of trade which are seen as providing a fair days work earns a fair reward and that a fair year's work provides a decent household income. Nor does it mean no user fees and service charges but it does forbid

ones, which - as operated - effectively deny access to large numbers of poor households. (In some districts the present rural health consultation and levy fees are seen as fair but in others - with much lower cash incomes - they are perceived as unfair and exclusionary.) Nor are taxes as such viewed as unfair - at least not if services including security are being provided. However, for historic reasons, high crop or poll taxes are likely to be seen as exploitation and should be avoided (in favour of indirect taxes on urban goods purchased by rural household e.g. sky high taxes on beer and cigarettes are, if anything, popular in rural Tanzania but objectively less burdensome local level crop levies are, with few exceptions, grossly unpopular and often deeply resented).

16. Survival safety nets relate primarily to access to food, to ability to stay on the land, to access to medical services and to avoidance of crushing debt overhangs. These are crisis defence priorities. They can in part be met at household level (e.g. food reserves and cash reserves). But for absolutely poor households emerging from a war context, household resources and reserve building capacity are very low and for the 50% of rural Mozambican households who are destitute (deslocados, afectados, retornados, amnestados newly liberated area residents) they are basically nil. Therefore, concentration in the PDP must be on the public sector provision with improved household storage at this point relating more to normal year food self sufficiency enhancement (by reducing losses or forced sales at harvest time to avert them) not intra - year reserve holding.
17. Food security requires that food be physically available and affordable. In deslocado camps that does mean free ration distribution by DPCCN. Generally it is more complex. The PDP should seek to increase local purchases and fair (not subsidised) price commercial network sales reducing dependence on food aid and food handouts and helping rebuild the commercial network. To do that, it needs to use its rural works programme to augment rural household incomes seasonally, for very low income households and during crisis (e.g. drought, flood periods) and their aftermath to the next sound harvest. Whether the work is paid in food, in cash or in a combination depends on contexts (especially whether the rural commercial network has food to sell) and (unfortunately) on donor preferences since many have a bias toward

paying in food not meticaïs to buy it at both micro and national levels. In the case of destitute households free food is needed until the household can re-establish its production base i.e. 6 to 15 months if the first harvest is sound and 18 to 27 if it is drought (or flood or insect) ravaged. (Nominally employment on rural works could substitute for free food. However, because such households have non-food cash needs and the labour demands of reconstructing their own homes and firms, because an infinite volume of rural works cannot be undertaken for design, supervision, and skilled labour and material input constraints and because the initial rural commercial network capacity is low, in this case free food distribution appears preferable.)

18. Ability to stay on the land is separable from food security for survival. (It also has a physical security aspect treated above under security.) If food is available but only in towns or at camps, households must leave their farms. The social and economic cost of such forced moves (including loss of life) are high and relocation problems inevitably delay post-drought household rehabilitation bases. In a peace time context large scale migration to relief food is evidence of inadequate food security programming. In the PDP this means ensuring that free food, commercial food supplies and rural works employment are where the people are not scores of kilometres away. This does give an additional priority to restoring rural transport infrastructure and vehicle fleets.
19. Access to medical services needed to avert crisis caused by deaths e.g. epidemics and common, simply curable life threatening conditions requires availability of vaccination capacity, some simple techniques/supplies (e.g. for oral rehydration) and - in some contexts - certain specialised drugs (e.g. snake bite serum). APE's and dispensaries plus backup, mobile crisis services (e.g. for vaccinations) are needed for this security; access to full PHC (postos and mother/child clinics) probably is not. PDP programming on health and especially APE's and enhanced mobility of District level medical personnel are directly relevant.

20. Averting crushing debt burdens leading to loss of livelihood is a future more than a present problem in rural Mozambique. For PDP it means avoiding commercial network exploitation via high interest pre-harvest loans and low post harvest repayment in kind and including de facto crop insurance provisions in familial sector credit i.e. in a poor harvest year interest on input loans is waived and repayment rescheduled over the next 2 to 3 years and in a no harvest year principal is also waived.
21. Access to a decent livelihood for sector familial means primarily ability to produce for household use and for sale. Secondly (in varying degrees of importance) it includes access to wage employment for some household members. It comprises security because without ability to go about ones daily work in safety from violence and arbitrary interference there can be no ability to earn a decent livelihood. Similarly secure land use rights are basic to ability to produce. Further it comprises the existence of survival safety nets - one cannot earn a decent livelihood if one is no longer alive (and one death can devastate a whole household's economy). However, it goes beyond these necessary but not sufficient elements.
22. Livelihood falls into two analytically separate (from a sector familial household as well as a social scientist's perspective) but inter-related components:
 - a. household production of food, housing and fuel for own use (plus local de facto barter exchange);
 - b. cash income (from sale of crops, fish, livestock, forest produce, processed foods and artisanal products or services and also from employment incomes of family members who may or may not be resident in the rural household i.e. it may constitute remittances).
23. The mix of these components varies widely. In much of Southern and Central Mozambique remittance incomes from household members working in South Africa, on plantations or in Lorenzo Marques (as it then was) and Beira has traditionally been crucial to rural household economies. To a lesser extent (and ending in the 1960's rather than eroding in the late 1970's and 1980's as is the case with the plantation and South African labour remittances) a substantial number of Northern Mozambican

household economies were crucially dependent on remittances earned on Tanzanika (as it then was) sisal plantations and in domestic service (particularly as askaris). Similarly the nature of cash crops varied - in the South sector familial production for sale was predominantly food for the Maputo market; in Tete food for Beira; in the central coastal provinces cashew and cotton; in the North (where cash sales were lower) food presumably for Beira (via the ports of Pemba and Praia and/or the Lichinga tramway line). The extent of artisanal and processed food production is unclear. (Fuel and pole wood and charcoal were not insignificant but are perhaps better lumped with crops as is artisanal fishing). If there are Portuguese records on this they do not appear to have been studied systematically (a possible priority topic for Institute of African Studies at Eduardo Mondlane University). And one fairly significant product - local beer and spirits was illegal or at least alegal so that hard data presumably do not exist. Given the low level of education of my kind and low rural cash incomes it is probable that masonry, carpentry, tool making, blacksmithing, well digging, furniture making, vehicle repair, tailoring and other artisanal services were limited in extent and volume and, probably, largely within the household (i.e. clothes making, construction, etc. by household members for household use). Part time, seasonal wage employment by sector familial household members primarily engaged in agriculture does not seem - on known data - to have been common in the past (either absolutely or by comparison with other African countries where for a significant number of households it accounts for - say - 25% of cash and kind household income). Its development (partly but not only by seasonal, labour intensive rural infrastructure rehabilitation and development) should be a PDP priority.

24. In speaking of household livelihood it is necessary to avoid the European social science assumption of single household budgets either on the income or expenditure side and also to recognise that intra household but inter budget labour input obligations (e.g. wife to weeding crops for sale by husband; husband to clearing and sometimes ploughing land for wife to raise household food and marginal sale crops) are often significant.

25. In most African sector familial households there were and are at least two budgets - male head of household and wife. The former includes wage (and remittance) income, artisanal income of the man and sale of "man's" (i.e. produced primarily for sale) crops - large livestock - fish - main forest products. From it are paid the man's personal expenses (clothing, tobacco, etc), housebuilding and major repair cash costs, most farming inputs, some 'gifts' (semi obligatory) to wife and children (e.g. cloth, sometimes certain purchased foods), usually (but not always) school fees and less uniformly medical (including transport) costs. The woman's budget includes food, fuel produced for household use plus marginal cash sales of those crops, small stock (especially chicken, eggs) and livestock byproduct (e.g. milk) sales, processed food and other female artisanal products. The expenditure (cash and kind) obligations are household food and supplies, fuel, women's and children's medical costs and some school fees. Complexities doubtless arise in the case of polygamous households. Virtually the only single budget cases are likely to be female headed households and more specifically these without a male member providing regular remittances. Like all sketches this is oversimplified because budgetary patterns are not identical among regions or cultural groups nor static over time. (Again research by the Centre for African Studies would seem a priority.)
26. The PDP needs to take gender issues on divisions of labour, of income and of expenditure into account because adequate livelihood requires balance of each time and income/expenditure budget. Surpluses on one are not automatically transferred to meet deficits on the other e.g. more male cash income may not significantly improve nutrition if food for the household is a women's obligation and neither inputs nor time saving techniques (whether in food production, preservation or preparation or in fuelling, watering, health improvement) are made accessible to women. Similarly because cash is needed and the potential for getting it from agricultural sales is frequently low (especially for initially destitute households or in physically isolated areas) both labour intensive, seasonal (at low agricultural work periods) infrastructure employment and facilitating expansion of artisanal activity are needed. And both should pay specific attention to women's cash incomes as their budgets

also have outgoings requiring cash (not least for tools, seeds, other inputs to produce crops or small stock and fowl for household nutrition).

27. Own food - housing - fuel production is likely to account for 60 to 75% of the total income of a poor but not absolutely poor sector familial household. (Converting own use production to cash at small town retail prices i.e. what it would cost to buy.) That assumes a household budget made up:

<u>Item</u>	<u>Total</u>	<u>Own Production</u>
Food	60	40-55
Shelter	12½	8-10
Artisanal Products	5	4-5
Consumer Manufactures	5	-
Seed/Tools etc	2½	-
Fees	4	-
Transport etc	4	-
Fuel	7	7
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Total	100	60-75
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The cash 40% of household income probably varies widely as to makeup both by district and by household. At a guess nationally it might be 17½% agriculture-fishery-forestry sales, 21½% artisanal sales 2½% local wages, 2½% intra - Mozambican remittances, 15% remittances (official or parallel) from RSA.

28. That sketch demonstrates that PDP must pay direct attention to facilitating sector familial household ability to produce food, building materials and fuel. Especially because household budget divisions mean crop sale money may not be available to pay for inputs into own use production at least initially (and especially for destitute households) free distribution of basic inputs is desirable. These include:
- seeds, core animals (to being herd rebuilding) and seedlings (e.g. fruit and fuel trees);
 - hand tools for farming, for fishing (including shovels, pickaxes for pond building) and for artisanal forestry;

- c. basic household equipment (bucket, utensils for cooking/eating).

Together with these should go competent advice and education by extension officers which is district (or ecological zone) specific; provided largely through demonstrations at frequent intervals (just before technique needs to be used) and to those who will do the work (predominantly women for many - but not all - of the tasks in own use production). In the case of livestock, core stock (including chicken) need to be provided to restore the wiped out livestock capital base and basic veterinary drugs (preventative e.g. vaccination against anthrax, dipping against East Coast fever and curative e.g. salt and other basic oral rehydration drugs against animal diarrhoea following the rains ending droughts).

29. Cash (i.e. intended to be marketed) agricultural production requirements for inputs and services are broadly similar to own use. However, the appropriate audiences may vary (e.g. in more activities men do most of the work). Further, because the crops or livestock or fish or forest products, are sold and the proceeds go to the growers budget, more sold inputs are possible. A one to two year free starter pack (analogous to Zimbabwe cotton seed plus fertiliser free packets in early small farm cotton development) is appropriate but, thereafter, sale via the rehabilitated rural commercial network with flexible fair price limits on charges would appear desirable. That is especially true if some public sector and co-op shops exist to "keep prices honest". Note, however, that prices will sky-rocket unless supplies are adequate to meet basic input requirements. For certain crops - e.g. cotton, cashew - specialised authorities are the presumptive input and extension service provides but Rural Development should coordinate their parts of input-extension as well as providing-coordinating general crop, veterinary artisanal fishery (sea, river, pond) and artisanal forestry (including planting and processing) extension and input supply.
30. Other (i.e. non-agricultural) cash income development is a PDP priority but is likely to be one which varies widely by district. A uniform component should be seasonal infrastructure rehabilitation and development employment of one to three months per household with preference to destitute and female headed households and a minimum (say 33%) of jobs to go to women. There is a body of Botswana and India

experience on this at macro (Indian states have populations larger than Mozambique's) level and several projects in Mozambique to use in design. WFP would probably be interested in at least the rehabilitation of deslocado-affectado-returnado aspects and ILO plus IFAD more generally. The World Bank is now cautiously favourable to well designed programmes of this kind. UNICEF and UNIFEM are certainly pro and could be used as catalysts and perhaps pilot programme organisers but neither has the in house personnel and experience to do overall design or monitoring except in a cluster with ILO-WFP-IFAD or by hiring specialised consultants.

31. How much other employment can be promoted locally is unclear. (Raising opportunities for one family member to work in a city or on a corporate farm and send back remittances falls outside the PDP's scope. (i.e. Cidade do Maputo is not a PD, Carbomac is not a PDP concern but a national one even though Moatise district may be a PD because the considerations of what to do at Carbomac are necessarily primarily national and actions require specialised knowledge and resource mobilisation/infrastructure creation very far removed from PDP's.)
32. Artisanal sales can certainly be increased - to varying degrees. In part this will be self generating as demand (sector familial cash income) rises. But PDP inputs may be appropriate e.g. extension/adult education; assistance to co-op formation (where SF artisans want it) for input purchase, output sale and - less frequently? - production; ensuring input and tool supply at fair prices (perhaps with initial small, soft loans for tools and basic input inventory). What inputs for what crafts is likely to be district specific with studies needed in year 1 and action from year 2. However, there are exceptions where action in year 1 should be possible. NGO's and UNICEF have experience of cases in which by supplying (selling) raw materials they immediately generated not inconsiderable net cash incomes (especially for women in garment making) and districts should be alert to locating and acting on such opportunities.
33. Access to basic services is a SF need and priority goal as perceived by rural households. This cluster comprises economic services as well as human/social ones and marketed plus community financed as well as Central/Provincial budget ones. The concern is that the services be there and financially as well as physically accessible.

34. If there is to be universal access that means either no charge for basic human services or simple, point of service waivers of charges for - say - 25% who are so poor they cannot afford them. In present rural conditions no charge may be better because absolute poverty and inability to pay must be 75%-90% in many rural districts when deslocados, afectados, retornados, amnestados and newly liberated households are taken into account. It is possible to set up exempt categories and allowance for 25% of other users to be exempted individually but that seems a misallocation of scarce personnel for very little money unless on a community support buildup basis with fees payable in cash, food, building materials or labour and staying with the primary service unit. Note revised APE agreement with World Bank is on these lines - perhaps 3% of cost recovered from community and payment in cash or kind worked out between community and the primary service unit which then keeps the income. This is - so far as I know - a first in a government programme. Christian, Muslim and NGO medical and education cases certainly do exist and work moderately well, but these are not directly comparable with state programmes. Thus it would be prudent to see how it works before generalising it everywhere for all services until we are sure we have a workable - rural hospital model and experience in operating it.
35. Human services comprise primary health (APE-posto-centro-rural hospital), primary and adult education, pure drinking water. PDP needs to have worked out components for each district programme aimed (for 3 years) at restoring past highest levels (usually in 1981-1984 period) and drawing up perspectives for - say - 95% PHC and APE, 80% primary education +65% literacy and 60% access to pure water by 2000. This needs to be done by the relevant ministries but in a PDP coordinated frame. Health has a strategy and first steps; Education has seen the need for one (at least in primary) but is just beginning to consider what that will require; Water has a number of projects and pieces but not (it seems) an overall strategic or medium term perspective (at least for rural areas). The previous paragraph applies directly to "cost recovery" in these services. There is more room for community inputs of labour, materials and perhaps cash into water (especially where there is an absolute shortage of any nearby water as well as pollution problems

with current sources). But how much and in what form needs to be worked out district by district by Water in dialogue with GD's and village councils - it will not be uniform.

36. Extension services should be broadened from crops, livestock, fishery, forestry (assuming all of these now exist at least in principle) to encompass artisanal skills (e.g. building, blacksmithing, tool making, tailoring, furniture making, charcoal, water facility maintenance, vehicle and equipment repair, food processing) plus humanly, socially - and by time saving economically - key topics (e.g. environmental sanitation, water source protection, nutrition). This cannot be done overnight and needs to be a joint operating ministry - adult education - community programme (e.g. APE) effort. (There is some experience in Tanzania and by UNICEF.)
37. Commercial services are no less basic, no less crucial and no less desired/needed by the sector familial because they are sold. The Portuguese colonial rural merchanting system was racist and grossly exploitative. But it did provide inputs, credit (however usurious) and "incentive" (i.e. desired consumer) goods to the sector familial. Therefore, its collapse (literally flight) and the failure of Agricon ever to achieve a comparable replacement was a tragedy for millions of Mozambicans. PDP must give priority to reversing that tragedy (evidently without reintroducing racism and with guards against gross exploitation). The vacuum left by the rural commercial sector disappearance is the main reason that even in 1979-81 sector familial cash sales were (nationally and in most - not all - districts) sharply below 1971-73. Until that gap is addressed neither urban food security from domestic sources, input supplies for agro-industries (including textiles), demand reflation for urban manufactures nor rural cash livelihood problems can be overcome.
38. The issue is not public versus private in any ideological sense. The public sector is not likely to provide flexible, efficient, small scale, multi product commercial services. Still less can the personnel as well as finance constrained Mozambican empresa sector be expected to do so. And as Oscar Lange pointed out the small trader, independent artisan and large family farmer do not determine the mode of production and cannot (indeed will have little reason to) undermine an otherwise economically

viable and humanly caring socialist, mixed or transitional political economy. This was also Chao en Lai's position and the periods in which it prevailed in the People's Republic of China appear to have shown more rapid basic services advances and poverty reduction as well as higher growth rates than the others. (No - present Chinese policy is no more Chaoist than Maoist; it is a strange blend of neo-liberalism plus collective Caesescuism.)

39. There is a strong case for multi channelism i.e. a public sector presence especially at wholesale level; gradual buildup of co-op (or village) enterprises as perceived demand for and capacity to operate them rises; some "fair price" monitoring analogous to that of the abastimento/Commercio food network of private retailers and co-ops for limited ranges of basic inputs and consumer goods; a large small to medium size private retail, sub-wholesale and upto provincial wholesale enterprise component (including buying, storing, transporting and selling). For the PDP the priority is rehabilitation of the private sector (including the "fair price" safeguards). That is because this is the biggest gap and the area in which - except for a shelved Commercio study which should be found, dusted, modified and put to use - there has been the least articulated thinking.
40. Private capitalist traders will not appear simply because they are allowed to do so and welcomed verbally when (if) they do. They need access to:
 - a. shops and godowns;
 - b. an initial stock of goods to sell;
 - c. reliable flows of goods to sell;
 - d. buyers (including Agricon) for what they buy;
 - e. a reasonably dependable and gradually growing amount to be bought (because their turnover on the sales side depends on their providing cash by buying);
 - f. transport (i.e. vehicles and repair capacity plus usable roads and bridges/culverts).

41. PDP needs to articulate how these can be supplied. One component is credit (for inventories of goods for sale and goods purchased, for restoring premises and godowns, for buying or rehabilitating vehicles). Another is Commercio/Empressa priority in supply of inputs and basic consumer goods at the right time (i.e. tools, seeds and fertiliser are time specific for planting and cultivation seasons and basic consumer goods are most needed and saleable at harvest time). The Agricultural Fondos and the external donors/lenders who want the private sector strengthened are the logical sources of credit (especially as this sidesteps IMF bank lending ceilings albeit the Commercial Bank/Banco do Mocambique might handle loans as an agent). The goods supply strategy needs to be coordinated with and operated by Commercio and its Empressas (as does vehicle and spares supply). The infrastructure rehabilitation and the agricultural supply (for the traders to buy) aspects relate primarily to Works and Rural Development activity.
42. Small scale and artisanal goods and services businesses are analogous to commerce proper. Here particular attention needs to be given to avoiding exclusion of women e.g. women and women's co-ops should be favoured not excluded from garment making and food processing input and tool supplying and credit. As with commerce that a service is vital or at least important does not necessarily mean that the state is the best channel for providing it, nor that even where it should be a provider for poor households it should also produce it. The need for a decent funeral is basic in many cultures including most Mozambican ones. Whether - outside non Muslims in urban areas - a decent funeral really is perceived as requiring a coffin is less clear (traditionally it did not). Assuming it does, there is no clear case for the state providing free coffins on demand. It is a service which (presumably via Grupo decision?) arguably should be available in main urban areas to absolutely poor households and (deceased) isolated individuals with no available families. Even in these cases there is no reason the state should turn coffin maker as opposed to buying from carpentry artisans or small workshops. This example is probably not a PDP concern. State coffin provision probably never reached rural areas. However, the principles it illustrates are relevant to PDP.

43. Infrastructure (beyond that for specific services) is also a basic need as perceived by the sector familial. Because water supply, schools, clinics, shops, godowns and vehicles have been covered above the dominant component is transport works and the second - where relevant - is infrastructure for small scale (i.e. SF used) irrigation. Roads, culverts, "boxes", bridges, ditches, drainage pipes like security tend to be underrated - until their absence when once they were present underlines their importance. They - plus the other construction needs for services - can be used to build up SF employment/cash income opportunities, in addition to, and consistent with, their primary purpose of restoring infrastructure. Both roles are integral to PDP's integrating "Emergencia" into, 'Rehabilitacao' and 'Desenvolvimento' so that one rural strategy and one coordinated approach for each District emerge. That is also needed if rehabilitation and development are to be Mozambican (not 'doadores') driven even though of necessity they will remain 'doadores' fuelled (financed) for a period well beyond three years.
44. In conclusion several points need making:
- a. the wording above is not what would be used by a sector familial household;
 - b. the ordering and analysis seeks to generalise beyond the limits contexts impose on any one poor rural household or community;
 - c. the knowledge base used is fragmentary and much is from Botswana, Tanzania, Zimbabwe, Somalia, Ethiopia and Ghana not Mozambique;
 - d. thus while genuinely seeking to formulate poor rural household needs and priorities as perceived by them in a way usable at macro and sectoral strategic programming level, this presentation is that of an outsider who does not come from a poor rural household (let alone a Mozambican one) and is based on inadequate data. Its justification is that it is essential to make a start and to do so quickly;

- e. therefore pre-adoption discussion of PDP at District Level with SF members (representatives) as well as District Administrators and technicians is important and building in an ongoing monitoring mechanism with direct SF inputs even more important;
- f. and research on a number of issues (including those specifically cited above) would be highly useful and would appear to be a priority for the University and especially the Centre for African Studies as well as - at a quicker, simpler, more short term application oriented level - within Ministry national and provincial planning units.

A Programmatic Check List For A District

- 45. Each District Programme should be tailored to that district in its specifics. At the same time there should be a standard set of programme areas for each district serving as a check list and a first approximation for articulating the specific plan for any particular district.
- 46. Data and empirical targets should be set up on the basis:
 - a. what is present situation
 - b. what were past peak levels
 - i. SF and other output - usually 70/72
 - ii. services (public) - usually 80/82
 - c. what resources needed to restore "b" (or alternative 3 year target)
 - i. capital budget
 - ii. recurrent budget
 - iii. personnel
 - iv. community mobilised (labour, materials, cash)
 - d. Present resources used;

- e. Resources needing to be shifted in use (e.g. from large scale irrigation or empressa support to extension or input supply to SF and Emergencia survival feeding to Rehabilitacao input supply and food until harvest feeding plus rural works/employment;
- f. Additional resources (physical and financial to be mobilised). How to do so needs to be constructed (and done!) nationally not District by District except for community inputs which initially can rarely exceed 2½% to 5% of total resources in cash terms.

(Resources in each case should be specified by quantity in real terms as well as by cost i.e. number of lorries or spares as well as cif price plus freight cost.)

47. 1970/72 is used as a first approximation target for outputs and most infrastructure, because it was the peak period. 1980/82 for public services is chosen for the same reason. The levels of output to be regained are those of the SF and related enterprises and overall output levels where possible. That means higher SF - and where viable ones exist empressa - output to offset lower private commercial farm and plantation. For output 1970/72 levels are not always restorable in three years. The bottom line is substantial growth in SF output and income on a trend to surpass 1970/72 SF output and sales and approach 1970/72 total output and sales within a finite period after the first three years.
48. Formally the PDP is for 3 years. In practice just as Emergencia-I (Survival) should be transformed into Emergencia-II (Rehabilitacao) so PDP should move on to PDP-2 i.e. a second 3 to 5 year programme package for districts which have completed the initial PDP. e.g. in phasing it might run:

	PDP-I	PDP-II	(New Entrants)
1990/91	10	-	(10)
1991/92	25	-	(15)
1992/93	40	-	(15)
1993/94	50	10	(20)
1994/95	55	25	(20)
1995/96	60	40	(20)

Similarly not all PDP programmes discussed below can be instituted in cash District during its first PDP year and cash should be built up steadily once begun.

49. PDP is a coordinated (by Planning and Rural Development) multi ministerial and enterprise effort not a parallel government Authority approach. Coordination is needed at all levels from a PDP Commission (e.g. Minister of Planning chairing senior officials from Ministries analogous to SDA Commission through District (e.g. District Administrators Chairing ministerial officials plus Party-Women's-Youth-Peasant representatives body). Especially at District and Provincial levels GD's and Assemblies will need to be directly involved in annual pre-approval of programmes, mid year reviews and annual monitoring of progress (and drawing lessons for programme and project revision by alteration, addition and subtraction). For adequate SF support and adequate early warning of weaknesses and gaps to be forthcoming to render PDP sustainable and for the dynamic begun by it to continue on its own (with normal state support) after the PDP years.
50. The 21 items listed as Programmes (Programmes areas) hereafter could be called projects. Programme may be a more helpful term:
 - a. it stresses need to serve large numbers not just a few people;
 - b. as well as encompassing policies as well as physical projects;
 - c. each programme area (e.g. Health) in fact comprises sub-programmes (e.g. posto/centro rehabilitation, APE revival) each of which includes several projects (each posto, centro, APE unit).
51. This wording is without prejudice to formulating umbrella projects e.g. "Rural Infrastructure Rehabilitation and Employment Project" to sell to 'doadores'. If donors prefer programmes to be called projects and to finance 3 year chunk by 3 year chunk (even though the Programme will need to be longer) that preference probably needs to be accommodated in presentation. But it should not be allowed to dominate our strategic conception or articulation of what PDP is about or how it is to achieve it.

52. A checklist of programme areas includes:

1. education
2. health
3. water
4. roads - bridges - culverts
5. agriculture - land allocation
6. agriculture - nutrition/household use production
7. agriculture - commercialised
8. agriculture - inputs
9. agriculture - extension and research
10. agriculture - credit
11. agriculture - projects (narrowly defined)
12. agriculture - livestock/smallstock
13. agriculture - forestry/trees
14. agriculture - fishing
15. agriculture/industry - agroprocessing and artisanal
16. commercial network - buildings
17. commercial network - vehicles
18. commercial network - goods to sell
19. commercial network - working capital
20. Labour Intensive Works/Employment
21. Emergencia/Rehabilitacao

(This list has no claim to unique virtue. The components could be repackaged in less heads or different ones. It does pick out main elements and put them down programmatically to allow completeness and consistency checks.)

53. Education. Goals turn on restoration of numbers of primary schools, teachers, pupils and years successfully completed to 1980/82 levels plus parallel restoration of literacy and continuing (practical, extension related) adult education to 1980/82 or higher levels. Whether this can be done fully in 3 years is a question of fact. If it cannot, 3 years at - say - 20% annual average enrolment growth plus a projection for full recovery in 2 more years can be substituted. Programming this goal and mobilising resources (not least teachers) is an Educao responsibility but, in respect to adult education, content and personnel provision need to be formulated together with Ministries (e.g. Agriculture, Health, Education, Works, Labour) who have extension concerns directly relevant to adult education as a means of extending the SF knowledge and skills base.
54. Health. The goals are analogous to these of Education i.e. postos, centros, mother/child clinics, rural hospitals consultations, vaccinations, APE's. Here a strategy of re-openings (with an initial low profile presence in villages and mobile services from towns) exists and is partly operational and an APE rebuilding "project" (programme) is articulated - financed - about to begin. The main problem is coordination to ensure that Health (nationally and provincially) does include all 40 Districts in its 3 year first tranche. Note the internal logic of APE rebuilding means that the first 40 Districts with APE's cannot be identical to PDP's 40 but what should be possible is that by - say - 1992/93 there are 65 APE Districts including 36 to 40 of the PDP ones. For both Health and Education the dominant cost item is not capital projects (buildings, equipment, vehicles) but recurrent (drugs, books, supplies, transport operation, wages and salaries). The latter must be built into recurrent budgets not be separate PDP so far as the internal Budgetary process goes but may be estimated and external finance mobilised for first three years recurrent (especially drugs, books, supplies, new personnel - e.g. APE's - wages) if this is expedient fiscally and saleable to donors (e.g. if it unlocks otherwise blocked counterpart funds). Staff training is not per se PDP, but the

PDP Commission should satisfy itself that the Ministries (here Health and Education but the point is general to all Ministries) do have training programmes relevant and adequate in quantity of persons taught, content of curriculum and quality of instruction. (If not the Ministries need to think through how to develop them by redesigning existing training institutions and/or securing resources for rehabilitation and expansion. That is more or less in hand at Health and - probably - Education but perhaps less so in - say - Agricultural extension and Works).

55. Water (for human use and secondarily for livestock) is a rehabilitation exercise where substantial capacity did exist. Where it did not PDP will be entering into 'new development' within the first three years. Water has aims and a not inconsiderable programme but because of donor driven projects, and a separate emergencia financial project set, it has no overall strategy nor any articulated medium term targets by Province or District tied to actual projected/medium term budgeted expenditure. PDP gives it a need and an opportunity to develop these. As noted above water is an area in which community contributions in cash and kind to construction and operation can and should be explored. To work they require user involvement in design, user committees (whether special purpose or part of village council work) and training of users in equipment protection and maintenance. Because women and girls will in fact be the primary collectors and maintainers, women need to be consulted, brought on to committees, trained in maintenance.
56. Roads - bridges - culverts (and associated drainage ditches, "boxes" for crossing stream beds, in some cases air strips) are the largest single Works programme within PDP. The project components must be identified at District and coordinated at Provincial level - they cannot physically be checked nationally and the sheer number of items sent in would in fact overload and block the articulation and monitoring process at that level were either physical or fiscal monitoring/checking attempted centrally. The method of district level articulation could be:
 - a. identify previous roads, tracks, bridges and culverts;
 - b. decide which ones are priority;

- c. identify needs for reconstruction, rehabilitation maintenance for these;
- d. estimate phased three year input requirements and costs.

This work must be designed to use unskilled labour, handle tools, a few skilled supervisors. That is a priority both to hold down costs and to ensure SF part time employment and income generation. (Discussed earlier with list of relevant international agencies.) Segments of main provincial roads require more design input but, as demonstrated by Xai Xai ILO/UNDP project, can also be labour intensive. Over three years Transport (Nationally and - especially - Provincially) should build up its Road Directorate's capacity but to date it has no capacity below main highway level, PDP transport programme cannot wait for Transport to develop capacity. Luckily initially DA and Works in consultation with GD's/Councils can identify what transport infrastructure existed and is priority for restoration and Works has capacity to do design and to execute independent of Transport at that level. (Tertiary and quarternary port rehabilitation may have higher design input requirements but is basically analogous. For coastal or riverain Districts such port rehabilitation - including for dhows, fishing boats and small sail or paddle boats carrying people and/or cargo in small numbers/quantities may be important and should be considered as a possible priority).

57. Agriculture - land allocation is basically a policy and administration programme, but will have some physical aspects in respect to tree felling, bush clearing and/or drainage which are beyond sector familial household capabilities especially for the deslocado-affectado-returnado-amnestado-newly secure district cluster. The principle should be to ensure that each sector familial household has secure rights of use over enough land for a home, a home garden, staple own use food production, livestock where mixed or pastoral farming is important and crops (including tree products) to be sold which is adequate to ensure a decent livelihood. How much (1.5 ha to 5 ha excluding grazing seems the likely range) depends on crops and land quality. For settled families the first step is to check whether land already allocated is adequate. It may well be, except for present or past afectados/deslocados huddled for security reasons around towns on $\frac{1}{2}$ to $\frac{1}{4}$ hectare. The main work is

likely to relate to allocating land use rights to resettling *affectado*, *deslocado*, *retornado* and *amnestado* households and the minority of settled sector familial households who have too little land. This is the first priority - land allocation to private commercial farmers, corporate farms/plantations and in the rare cases of their expansion *empresas* come after SF needs are met. However, except for *empresas*, these units should be assumed to keep existing land use rights. In the case of *empresas* hard judgements should be made on how much land (in some cases all of it!) is surplus to reasonable estimates of use within five years. That land should be reallocated to SF households with preference to *empresa* workers retrenched as part of the rectification exercise (an area requiring coordination with Finance). The question of land use right allocation to women needs to be faced squarely. Normally one household should have one allocation - optimally in the joint names of husband and wife. There should be no discrimination in allocation against female headed households and where the woman is resident and the man working elsewhere, the registration should (if at all practicable and locally acceptable) be either in the woman's name or joint. This is consistent with the principle of secure land use rights for actual users. As noted above, community/SF desire for communal or co-op farms is likely to be low and to be seen as complementing - not substituting for - family lands. When there are such requests, they should (subject to a rough check on feasibility of community or co-op actually using the land) be treated as second priority following SF household land allocations but taking priority over other sectors (e.g. private commercial). In no case should co-op or communal allocations be seen as a substitute for, as opposed to a complement to, household allocations.

58. Agriculture - nutrition and household provisioning (own use or subsistence crop) production has been discussed above on production and basic input supply sides. On nutrition, coordination among Agriculture, Health and Commerce is needed. Baseline estimates, however rough, on malnutrition (probably given actual data available child malnutrition) should be made and targets for reducing them set and monitored. This is basic to SF well being and food security. The primary tasks of Health - Commerce nutrition people are to estimate what quantities of what foods are needed to avoid/reduce malnutrition (at household as well as district level) and to carry out education/extension on use and preparation of foods. But if this is to work Agriculture must provide

parallel extension support and inputs to enable the requisite quantities of the relevant crops to be grown. It may be worth examining household categories to see which ones have special obstacles to raising household provisioning production and what can be done about overcoming them. More generally the point of reducing overall female workloads so they have more time to grow food (and, if practicable, providing inputs and knowledge to raise their outputs to hours used ratio) applies.

59. Agriculture - commercialised focuses on crops grown for sale (which may be non-food crops e.g. cotton, food crops not central to CF diets e.g. cashew or food crops which also figure prominently in household provisioning e.g. maize. This area has also been discussed above. Evidently (as is also true for household provisioning crops) the priority crops will vary from District to District in the light of ecological and soil conditions but also of access to processing and marketing facilities (e.g. if a District is to grow cotton there needs to be a cotton gin; therefore if cotton is to be introduced to a new district that District's PDP needs to include building a gin as a project). Targets should be set based on 1970/72 peak output, present levels and practicable recovery. At the least, SF output should be geared to regain 70/72 levels (or if very far below now to rise 20% a year on average over 3 years). Similar targets for household provisioning food are desirable but at present baseline data on 70/72 and especially 88/89 are very thin so that the estimated added food needed to reduce malnutrition targeting approach will at least initially, be more practicable.
60. Agriculture-Inputs comprises an ultra basic core level - seed, hand tools and a somewhat larger but still basic group including seedlings, livestock and, small stock, fish, animal drawn implements (including carts and draft animals plus selected agro-chemicals (fertilisers, insecticides, pesticides). In the case of resettled and newly liberated households addition of basic building tools (e.g. axes, spades) and household equipment (e.g. buckets, utensils are also crucial because their absence will prevent or delay the re-establishment of basic household units and of production. In these cases - and in the aftermath of drought - food is a basic production input because it is

necessary to enable sector familial labour forces to work to restore production rather than go elsewhere to seek alternative sources of income to avert immediate starvation.

61. PDP's seed and hand tools (plus household and building tools for those needing them) strategy should be complete coverage (with particular seeds and tools varying by District). Indeed these inputs should be provided (along with e.g. some health, education, water, transport infrastructure rehabilitation) in all reasonably secure districts, not just PDP ones. The problems are likely to centre on procurement and distribution more than on finance. In the recent past external finance available for these inputs has run ahead of ability to procure and distribute (on a timely basis). Early decisions (based on District estimates aggregated and - if necessary - revised at Provincial and National levels) on how much and what to procure will be key both to building up domestic production and to identifying and ordering from appropriate external sources. It would be possible at this point to use private firms as well as empressas as buyers but only within overall target procurement levels. Distribution faces two quite different problems:
 - a. physical capacity to get the inputs to farmers;
 - b. access for poor or destitute sector familial households who cannot pay.

The former is an area in which multiple channels can usefully be used at inter-provincial, provincial and district levels. Private rural traders (and co-ops) should sell inputs as well as consumer goods. But they do not seem easy to use for free distribution which for initially destitute households may be needed for up to three years. Empressas can be used to provincial capitals and perhaps District towns. Beyond that a mix of extension officers, co-ops and NGO's seems the least implausible method of channelling grant inputs unless the conversion of Emergencia to 'Rehabilitacao' includes restructuring DPCCN to distribute free food (in this context also a production input) plus other production inputs on the basis of PDP targets.

62. The more complex inputs - apart from Authority crops such as cotton and a few location specific cases - require further District level assessment as to priorities to avoid wasteful ordering of low or no priority items. Past use and commercial demand are probably adequate evidence, where demonstrable, to encourage wholesalers and retailers to stock some of them and for Veterinary to distribute drugs, dips, core stock to rebuild animal herds and poultry flocks. Parallels exist with respect to Forestry and seedlings, In some of these cases - e.g. limited numbers of chicken/chicks and animals and also of tree seedlings - free distribution for 1 to 3 years followed by commercial probably is more practicable in respect to destitute and near destitute rural households than charging (let alone full cost pricing/charging) from day 1.
63. Agricultural extension is itself a rehabilitation area. A checklist of challenges includes:
- a. adequate numbers - ideally 1 technically qualified (certificate or diploma level) person per 500 households or about 25 per 100,000 person District plus perhaps 1 higher diploma or degree level cadre for every 5 basic level ones;
 - b. building up a part time sector familial based cadre somewhat analogous to APE's ideally 1 per 100 households remunerated largely by provision of labour and/or food by their communities in return for time spent demonstrating new techniques/crops and/or facilitating input distribution;
 - c. provision of transport (bicycles for base level and motor cycles for higher level personnel plus 1 or 2 Landrover type vehicles per District) so that extension workers are mobile;
 - d. ensuring that bodies of accurate, usable data on crops and techniques are 'extended' to the extension staff so they have something to extend. This almost certainly implies retraining most present extension cadres; as does
 - e. shifting to emphasis on demonstration (preferably backed by simple graphic and written materials) with a target of 4 to 5 contacts per farmer in groups of 10 to 20 farmers (about 250 day long demonstrations per year per basic cadre).

64. To pose these requirements is the first step toward Rural Development identifying a strategy for meeting them. Present extension service numbers, training, knowledge and approach are probably seriously inadequate. If, as data suggest, there are substantial numbers of agriculture and agricultural technology trained persons from 'middle schools' not hired (or not hired in agriculture) because of the war they may be the body of personnel who can best be recruited and further trained to increase the extension services' side. A realistic phased buildup should be set out for a 5 year period and projected to 10. The latter should assume that by year 10 (2000), extension will be made available in all 130 Districts.
65. The figures above relate to generalist crop extension personnel. They will need to be complemented by veterinary, forestry and fishery extension personnel. Numbers of these needed will be smaller and vary among Districts depending on the importance of animals/fowls, fishing and trees/bushes/products in sector familial livelihoods. For the initial PDP years at least, specialised single crop personnel (e.g. cotton, cashew) of authorities and - perhaps - separate irrigation extension personnel should be retained under their present employers but in the context of overall coordination with the other extension channels.
66. Agricultural research for the PDP cannot in the main be original research and certainly not basic research. There is an inadequate base of work in the pipeline and far too short a time for that. What can be done includes:
- a. identifying known and field tested research results and ensuring these are known to extension personnel;
 - b. seeking to broaden the base of "a" by surveying SACCAR and neighbouring state research and extension results (in use by producers not just at research trial level);
 - c. conducting selective field testing on domestic research which appears promising as to results but has not been tested under sector familial conditions; similar material from "b" and

selected findings on research applied elsewhere but not in Mozambique secured from IITA (Ibadan), ICRISAT, ICIPE (Nairobi) and IFAD.

67. The aim of the above exercise (for crops, livestock, fisheries and trees/silviculture) is to produce (more accurately to identify) a body of useful knowledge which can be extended. Over 5 years the results should very substantially increase the value to the sector familial of the extension service and may bring about substantial macro and district as well as household and village level production increases.
68. Over the same five years a national agricultural research programme needs to developed with clear priorities and targets and with projected resource (especially personnel and finance) requirements and ways to meet them. Specific attention should be given to using materials from and coordinating with the International Crops Research Institute, IFAD, African continental or regional institutes (e.g. ICIPE), SADCC region programming (SACCAR, agricultural, livestock, forestry, fishing) and national work in other states (especially but not only SADCC partners). If basic results requiring some adaptation and field testing can be secured, the lag between initial Mozambican work and output payoff can be reduced significantly. Discussions should be held with SACCAR on developing project design/terms of reference for such a sectoral study and the possibility of using SADCC's 1991 Conference as an initial step toward securing a financing partner or partners.

69. Agriculture-Projects

The foregoing agricultural areas are basically broad front, broad access programmes not projects as such. They can be divided and packaged as projects for resource mobilising or budgeting purposes but are no more like discrete projects than is - say - primary education or primary health care. However,

- a. some items within programmes may be discrete projects e.g. a cotton gin in a cotton development portion of commercialised agriculture rehabilitation;

- b. the irrigation sector is perhaps more akin to single (large) or package (medium and small) projects than to a programme - albeit its extension and maintenance aspects are programmatic rather than project focussed.

Irrigation is a special case because at the large, capital intensive project end of the spectrum too many resources are allocated to it relative to overall resource levels, if the PDP priority is to assist the sector familial as a whole to produce more and to have better access to basic human, economic and commercial services. Small scale, labour intensive irrigation schemes may well deserve more resources (absolutely and relatively) but both ecology and cost will prevent their being central to PDP's sector familial oriented strategy.

70. Agriculture-Processing and Agro Industry

Processing and agro-industry have variegated roles in output rehabilitation and development:

- a. in some cases (e.g. cotton gins, tea factories), without the processing unit the crop is valueless because not preservable nor transportable in the form in which it is harvested;
- b. in others (e.g. perhaps oil seed milling) rural value added and employment can be raised and transport costs reduced by siting processing units in main producing districts;
- c. in the case of products used locally (e.g. household goods, crafts) processing and artisanal agro-industry can diversify income sources and raise village/district self reliance. In the case of grain and cassava milling they can (especially if owned and operated by women's co-ops) reduce overall female workloads and, at least for some women, augment cash income;
- d. by-products of large production units - e.g. bagasse and molasses in the case of sugar plantations - may afford opportunities for sector familial production (paperboard, fuel briquets - by drying bagasse, rum, candy, cattle food) and for integrating plantation and sector familial economics (beyond the more obvious link of SF production of food to be sold to plantation employees).

71. The particular priorities for processing and agro-industry are likely to vary widely from district to district. Some artisanal opportunities - e.g. grain and cassava milling, fish smoking, charcoal making - are likely to exist in most cases. What - beyond extension advice - they need, e.g. in the way of Fondo credit and provision (for sale) of construction materials and simple tools/machinery, is likely to vary. The number of larger units - e.g. cotton gins, urban market oriented oil mills - needed is likely to be small (and perhaps focussed on rehabilitation).
72. Agriculture (Silviculture) - trees and artisanal forestry is an area of considerable importance because of its implications for fuel (household use and commercialised) and conservation. Mixed farming including trees and bushes for fuel, fodder, household provisioning and home construction and sale of fuelwood, poles for building and charcoal has proven a means to improve small farming household living standards under many conditions. (A considerable body of expertise and experience including printed materials exists, albeit most is Asian - especially Indian - not African.)
73. What can be done by the PDP depends on the present data base and extension capacity of Forestry. However, a start can be made quickly in providing seedlings of fast growing indigenous or localised fuel and food crop (e.g. citrus) trees and encouragement of household and village planting. Conservation use of trees (on areas at risk from erosion and no wind or water breaks) can be extended/promoted most effectively when the trees are economically valuable as sources of fuel, poles, fodder, food. There is some Tanzanian and Ethiopian experience (including some successes) in this area. Depending on the present state of knowledge and staff a related "Research and Extension Development Project" would be desirable. (As relevant experience includes India, Bangladesh, Sri Lanka, Zimbabwe and Tanzania the Commonwealth Fund for Technical Cooperation might be interested.) Similarly material on regional experience should be sought from the SADCC Forestry Sector unit in Lilongwe as well as - if anglophonic candidates are available - access to forestry training facilities (diploma and degree) in neighbouring states.

74. Agriculture-fishing is evidently particularly relevant in coastal Districts. However lake, river and pond artisanal fishing has historically been of significance and its potential importance in each District should be examined specifically. If, as appears to be the case, such inland fishing has received low attention from Fisheries, the SADCC unit (also at Lilongwe) and neighbouring state research and training programmes may be useful as sources of initial data and training capacity.
75. Fishing like crops needs inputs (e.g. lines, nets, sinkers, in some cases wood and metal screws/nails plus woodworking tools for canoes or other small fishing boats) and extension advice. Similarly processing facility advice may be important (quality of 'traditional' smoking and drying technology is very uneven over small distances in many African states) and a commercial network to sell surpluses above local consumption. (Dried fish is marketable in at least many smaller towns and provincial capitals so the presence of traders and suppliers to buy, not of potential customers, would appear to be the binding constraint over a 3 to 5 year time horizon.)
76. Agriculture-livestock is in broad terms analogous to crops. In many districts cattle, goats and, less generally, pigs have played a significant role in commercialised production and in most goats and fowl (usually chicken although possibly including ducks in some cases) have been a significant source of household protein requirements. The war has probably been even more damaging to the livestock component of the sector familial economy than to the crop portion.
77. PDP District programmes should target livestock (and fowl) recovery goals in respect to household consumption and sale. Their relative importance/scale will vary, but is unlikely to be negligible or non-needed in any District. While the broad input-extension-commercial network requirements for livestock are comparable to those for crops there are also significant differences. The initial capital input on the production side is animals/fowl to re-establish viable core herds/flocks. How to secure and distribute these does not appear to have attracted much attention to date. Further, depending on actual disease incidence and control techniques, a substantial number of dips and chemicals to operate them (e.g. for protection against East Coast

Fever) are likely to need to be built or rehabilitated. Veterinary extension traditionally (probably appropriately) has a higher disease prevention and treatment component than does crop extension. Another point is that in at least some African states where traders do stock tools, seeds, fertilisers they have been less willing to stock veterinary drugs (including chemicals for dips). Therefore, it may be desirable to envisage the Veterinary Service as the main distribution channel (charging some fee from year 2 or 3) until the interest of traders in carrying these items can be assessed. Again the SADCC unit (in Gaborone) may prove a useful data source on programmes under ecological and resource scarcity conditions similar to Namibia's.

78. The commercial network rehabilitation programming of PDP has four main sub-components:

- a. buildings;
- b. vehicles;
- c. working capital;
- d. goods to sell.

These need to be backed up by infrastructural rehabilitation noted above in respect to roads, bridges, culverts, etc.

79. It is impossible to over stress the importance of this sector to the recovery of sector familial cash incomes (or to domestic provisioning of towns and cities). Equally crucial is recognising that at rural retail level small and middle sized private and cooperative enterprises are likely to be much more effective than large public or large private ones. It is that retail level which is of direct concern to the PDP in that the wholesale network and Agricon already exist at provincial level. Leadership in this programme area should be the role of Commerce.

80. In respect to buildings - shops and warehouses - the key word is access. Whether the traders own or rent the premises is secondary so long as they exist, are in usable condition and not so high cost as to cripple the renter (or owner). At village level, village built and owned warehouses with shop rooms rented in part to several traders may be more

efficient than numerous separate buildings, albeit at that level a trader can probably initially use his lorry as a mobile store if facilities are not available so that the immediate need may be for space in which sector familial households can safely put goods for up to two weeks until a buyer arrives. Given damage and destruction of buildings some credit mechanism for traders to finance buildings and/or their repair is needed - perhaps, as suggested above, through one of the Rural/Agricultural Fondos.

81. Vehicles are even more crucial than buildings as are spare parts and maintenance facilities (garages). Comercio and Finance should be able to negotiate 'aid' supplies of vehicles and spares and - e.g. via EEC - for building up decentralised, private maintenance facilities. (However, in some towns and districts garages do appear to exist and the return of many mechanically skilled miners from the Rand suggests the skill position may not be as bad as is sometimes supposed at least in the southern Provinces. The PDP's problem is in identifying and setting in operation a system allowing traders to buy (or rehabilitate seriously deteriorated) vehicles. The Maputo recreation of urban private transport is atypical and does not indicate that most rural traders have access to own funds or credit. The alternatives would be for the 'doadores' (especially those belligerently calling for a larger private sector role) to allow the vehicles provided by them to be sold on - say - 5 year, 20% interest hire purchase terms with the Banco do Mocambique/Commercial Bank serving as an agent or for credit to be channelled through a Rural/Agricultural Fondo. In respect to spares the basic problem is not likely to be credit but seeing that regular supplies reach provincial capitals and district towns.
82. Commercial working capital is often misunderstood. It is not an "unreal" phenomenon composed solely of account book entries as often supposed in national plans. It consists primarily of inventories of raw materials, goods in process and finished products; secondarily of liquid resources to make purchases; tertiarily of spare parts and supplies. Unless a trader has goods to sell and cash to buy produce he cannot operate even if he does have store, warehouse and vehicle. The two options in respect to goods are credit from wholesalers and from the commercial banking system out of its own resources or as agent for a Fondo. For the initial cash to buy crops, livestock, fish, forest

products, etc., financial institutions are the only plausible source other than the merchant's own capital. Turnaround of payments for purchases should be fairly rapid if the rural trader has the right goods to sell; sector familial households will sell to him in order to buy from him. Many rural merchants after years of low turnover and war losses do not have the funds to restore or re-expand their operations without credit.

83. Commercial goods supply is a separate issue from working capital because there are physical shortages of goods - especially in the less easy to reach provincial capitals and secondary towns where rural traders (including co-ops) will procure their stocks. What Commerce can do within the PDP frame is to project rural commercial network requirements for - say - 30 to 40 basic consumer and house construction items and work out an allocation system through Provincial wholesalers to rural merchants. The EEC backed programme underwriting goods supply to cashew growers may be of some value as a 'model'. Because access to goods to sell is valuable to traders it is likely that adherence to a requirement to sell in rural areas could be secured) enforced just as abastimento/commercio food price controls are, by and largely accepted and implemented by retailers.
84. Labour intensive public works have been sketched above on the programmes to employ them. As stressed they have an equal importance in raising poor sector familial household incomes particularly for destitute (newly resettled or liberated) and female headed households and during drought years. To serve the second (income augmentation) purpose requires not merely labour intensity, but also seasonal phasing with peak employment potential at times other than these in which farm labour requirements are highest.
85. Ideally a target of an average of \$30 per household wages (say 6 weeks at \$5 or Mt 5,000 per week at probable 1990 average exchange rates) would be set. That would come to about \$600,000 per district (2,400 person years) or \$24 million a year for all 40 Districts. That may be too optimistic a target on two counts:
 - a. ability to mobilise resources;

- b. ability to deploy skilled and supervisory personnel, tools, complementary equipment and construction inputs (albeit by year 3 of the PDP that constraint could surely be broken).

If that is the case a fallback target of \$20 per household per year - \$16 million overall would be plausible. The per household sum is very meagre indeed but for many rural households it is above total present cash income.

- 86. In one sense employment will be self targeting. Households with reasonable cash incomes and economically profitable on farm (including land improvement and crop processing or artisanal production) labour opportunities will not seek work. However, priority should be given to returnado, former (resettling) afectado and deslocado, amnestado and newly liberated households who tend to be in the main destitute groups now and to female headed households who historically, today and in the medium term have had/will have the lowest average cash incomes in the sector familiar.
- 87. Finance can probably best be sought from counterpart funds (food and other) or cash Emergencia-II ('Rehabilitacao') pledges. Alternatively (or complementarily) part can come from funding for specific programmes e.g. Primary Health Care Facility Restoration, Rural Water, Secondary and Rural Road Rehabilitation. The problem with Food Aid used as wages in kind is that it is inappropriate if most households are at or near self provisioning, for households receiving direct food grants as part of a rehabilitacao package and more generally in Districts in which a commercial food sale system has been restored. These difficulties can be avoided if 'donors' allow the physical food aid to be commercialised and the proceeds used to pay wages. A second best would be to pay 50% cash and 50% in not over 3 foods (e.g. a staple grain, vegetable oil, sugar). That method is used on the Inhambane Road project (albeit without the oil/sugar emphasis).

88. Emergencia to Rehabilitacao transformation and integration into normal, mainline governmental processes is of wider coverage than PDP. However, it is crucial to PDP so that a series of check points for transformation can usefully be noted here:

- a. procurement and movement of grant food aid to provincial level should remain with DPCCN/Emergencia;
- b. as should distribution to persons/households in camps, relocation centres etc;
- c. while rehabilitacao food grants to resettled/livelihood rehabilitated households could be handled either by Rural Development (extension) or District Administration or DPCCN;
- d. the same applies to free tools and seeds, as well as household equipment at the beginning of rehabilitacao - like food they should be transferred to the commercial network once sold;
- e. tools and seeds as well as household equipment may be mobilised from external sources by Emergencia, but as part of national (including PDP) targets and subject to national allocation;
- f. while Emergencia/Rehabilitacao fund mobilisation for - e.g. - health, education, water may still be useful as certain 'doadores' may classify emergency and rehabilitation outside (above) normal "country ceilings", these resources should go to the relevant Ministries to support these parts or units of their independently designed national (including PDP) programmes, which can be described as serving primarily deslocados, afectados, retornados. Separate collations of such projects outside sectoral Ministry components of the PDP and 3 year plan should be phased out by 1992. In the case of NGO's direct liaison with sectoral Ministries should be instituted even if they first go to Emergencia/Rehabilitacao and select their own project sites. This would at least allow the Ministries to have a clear overall picture of what is ongoing and to switch resources to Districts or locations left blank by the NGO's;

- g. donors should if possible be convinced that in the Rehabilitacao phase being destitute and needing special support to achieve livelihood rehabilitation was the qualification for a household not a physical move within Mozambique or across a border. The sector familial households in newly secure areas in Zambesia, Niassa and Manica are in many cases just as destitute and have just as appalling malnutrition rates and loss - by bandidos' destruction - to health, education and water as those households who actually fled. (A related point is that they too should be eligible for Emergencia food-tools-seeds-utensils aid now as well as in Rehabilitacao. That point is taken by many NGO's and some UN agencies - e.g. UNICEF - and should be pressed at the 1990 Emergencia/Rehabilitacao Conference.)
- h. therefore, Emergencia should - along with DPCCN - be on the central PDP Commission and DPCCN on the Provincial and District level coordinating committees because for certain purposes they do remain funding and operating units analogous to the key ministries and departments (Agriculture, Planning, Finance, Health, Education, Water, Works, Commerce, Fisheries, Forestry, Transport, Industry, Energy, Agricon and - in certain District Crop Authorities - and at the national level the Banco do Mocambique's commercial banking section).
89. NGO's - treated with Emergencia because historically their upsurge is related to it - pose special coordination problems as well as (in some cases) special advantages of flexibility, speed and suitability for small scale operations with Mozambican communities, NGO's (e.g. church groups) or quasi-NGO's (e.g. Mozambican Red Cross). There are a very large number; they prefer to relate to specific small projects; they normally wish to be their own implementing agencies; they frequently phase out their support before sustainable community or state substitutes are in place. At best this is creative disorder; at worst near anarchy. But NGO's are useful, increasingly popular with national and international agency 'doadores' and valuable external publicity and public support mobilisers for Mozambique. A way forward might be to create a Mozambique-NGO Commission chaired by External Cooperation with Finance, Planning, SDA Commission representative, RDP representative, Emergencia as members and a small secretariat to keep indexes of NGO

proposals/capacities/records and Ministerial plus Mozambican NGO or quasi NGO programme components, projects, partners suitable for NGO's. NGO's and partners could then be 'introduced' to each other with a potential project agenda. Sub-commission meetings among sectoral Ministries and NGO's interested in that sector could also be useful. This approach is somewhat similar to the Community Development Trust in Tanzania albeit that is more narrowly focussed on external NGO/Tanzania NGO or community project partnerships.

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